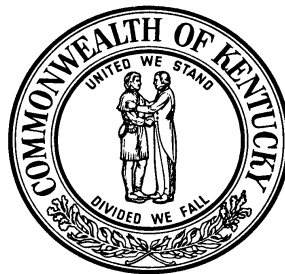


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
ESTILL COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
January 1, 2008 Through December 31, 2008**



**CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS
www.auditor.ky.gov**

**105 SEA HERO ROAD, SUITE 2
FRANKFORT, KY 40601-5404
TELEPHONE (502) 573-0050
FACSIMILE (502) 573-0067**



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Deborah Dunaway Barnes
Estill County Property Valuation Administrator
Irvine, Kentucky 40336

We have performed the procedures enumerated below, which were agreed to by the Estill County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period January 1, 2008 through December 31, 2008. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Estill County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (December 31, 2008), for all bank accounts, to determine if amounts are accurate.

Finding -

PVA maintains a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Year-end bank reconciliations were re-performed and amounts were accurate.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

All city payments were confirmed, all agreed to the receipts ledger, and all were traced to bank deposits.



Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Deborah Dunaway Barnes
Estill County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Budgeted statutory contributions by the fiscal court agree to the amount calculated by the Department of Revenue. Payment was traced from fiscal court's budget account to the PVA's bank deposit.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Expenditure testing revealed that expenditures agree to recorded amounts and supporting documentation. All expenditures tested were for official business. No credit card transactions were noted.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

Capital outlay disbursements were included in expenditures testing and agreed with the disbursements ledger, cancelled checks, and supporting documentation. Proper purchasing procedures were followed. Newly acquired assets were verified and these assets were included on the PVA's Capital Asset Inventory Listing.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

No vehicle lease agreements were noted, no personal service contracts were noted, and no professional service contracts were noted. Xerox and Pitney Bowes leases were noted for a copy machine and a postage machine. Services received were appropriate, for official business, and properly authorized.

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The Honorable Deborah Dunaway Barnes
Estill County Property Valuation Administrator
(Continued)

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

PVA did not overspend her budget in total for any account series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Deposits did not exceed FDIC coverage; therefore, a collateral security agreement was not necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Timesheets were completed, maintained, and support hours worked.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Cash transfers to new PVA were handled properly.

11. Procedure -

For newly hired employees, during January 1, 2008 through December 31, 2008, of the PVA's office determine if the Ethics Certification Form has been completed and is on file.

Finding -

There were no new hires during the period January 1, 2008 through December 31, 2008, therefore, no Ethics Certification Forms were necessary.

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Deborah Dunaway Barnes
Estill County Property Valuation Administrator
(Continued)

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

Proper procedures were followed and proper forms were submitted and retained to support PVA office closure on Christmas Eve.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", written in a cursive style.

Crit Luallen
Auditor of Public Accounts

December 31, 2008